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FINAL REVIEW AND APPRAISAL OF THE IMPLEMENTATION OF THE UNITED NATIONS PROGRAMME OF ACTION FOR AFRICAN ECONOMIC RECOVERY AND DEVELOPMENT 1986-1990

Action-oriented measures and recommendations for sustained and sustainable growth and development in Africa beyond 1991

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12 September 1991

THE UNITED NATIONS NEW AGENDA FOR THE DEVELOPMENT OF AFRICA IN THE 1990'S

I. PREAMBLE

1. The Final Review and Evaluation of the United Nations Programmes of Action for Africa's Economic Recovery and Development (UN-PAAERD) offers yet another opportunity for the international community to renew its commitment to support Africa's own efforts to achieve self-sustaining socio-economic growth and development. It is also an occasion to refocus world attention on the socio-economic difficulties which continue to face the African countries. [African development is the primary responsibility of Africans. The international community accepts the principle of shared responsibility and full partnership with Africa and therefore commits itself to giving full and tangible support to the African efforts.]

2. The circumstances which led to the adoption of UN-PAAERD are as valid today as they were in 1986. Assessments made by African countries themselves or by the Secretary-General of the United Nations and many other organizations and independent observers point to the fact that Africa's socio-economic conditions [including environmental] actually worsened over the past five years of the UN-PAAERD period. [Apparently, those African countries that implemented and stuck to market-oriented reforms showed better results than non-reformers.]

3. The current critical economic situation in Africa calls for solidarity among States Members of the United Nations to act in concert to address the problem. The international community renews its efforts to assist Africa, as enunciated under UN-PAAERD and in United Nations General Assembly resolution 43/27 of 18 November 1988 which states, inter alia, that "the African economic crisis is one that concerns the international community as a whole" and that "the Programme of Action provides an important framework for cooperation between Africa and the international community", which needs to be renewed in the 1990s.

4. This is why the international community and the countries of Africa should renew their commitment to an agenda of cooperation for sustainable social and economic development of Africa for the 1990s. [The Agenda must be specific and clearly focused on measurable goals and targets to be achieved within a specific time-frame, with built-in performance criteria that can be monitored.] [The Agenda should have a number of goals and objectives which clearly set priorities at the national and international levels. With regard to the national agenda, reference is made to the existing mechanisms of round tables and consultative groups.]

5. A fundamental objective of the new agenda should be the achievement of sustained and sustainable equitable economic development, including an increase in the growth of real GNP [per capita], in order to increase income and eradicate poverty. This development can be achieved through economic integration, democratization and mass participation in the development process, human rights, good management, provision of new and additional financial resources by the international community, access to and transfer of environmentally sound technology on concessional and preferential terms, solution of debt problems and the achievement of remunerative prices for primary commodities as well as environmentally sound policies.

6. The new agenda should have as its priority objectives the accelerated transformation, integration and diversification and growth of the African economies, in order to strengthen them within the world economy, reduce their vulnerability to external shocks and increase their dynamism, internalize the process of development, and enhance self-reliance.

7. The new agenda should also accord special attention to human development, increase productive employment, and promote rapid progress towards the achievement of human-oriented goals by the year 2000 in the areas of life expectancy, integration of women in development, child and maternal mortality, nutrition, health, water and sanitation, basic education, and shelter.

8. Peace is an indispensable prerequisite for development. The end of the cold war has opened up opportunites for the peaceful resolution of conflicts and for the intensification of international cooperation for development, particularly with Africa. Peace initiatives by African countries should be encouraged and pursued in order to bring an end to war, destabilization and internal conflicts so as to facilitate the creation of optimal conditions for development. The international community as a whole should endeavour to cooperate with and support the efforts of African countries towards a rapid restoration of peace, a normalization of life for uprooted populations and for national socio-economic reconstruction. Resources freed from military expenditures in all countries can be redirected to socio-economic growth and development.

9. In order to achieve these broad objectives, it is necessary for the international community to enter into a new compact [partnership] with Africa which would spell out clearly the firm commitment of the international community to support and assist Africa in its efforts to implement successfully its development agenda and to reduce, if not entirely eliminate, external impediments and obstacles to Africa's accelerated socio-economic transformation. This New Agenda reflects a mutuality of commitments and accountability and is in two parts: what Africa commits itself to do, and what the international community commits itself to do.

II. INTERNATIONAL AGENDA

A. Africa's responsibility and commitment

1. Achievement of sustained and sustainable growth and development

10. Africa is committed to the implementation of policies for the transformation of the structures of its economies as contained in the African Alternative Framework for Structural Adjustment Programmes (AAF-SAP) and the Lagos Plan of Action to achieve growth and development on a sustained and sustainable basis. African countries will persist with necessary reforms and structural adjustment measures. Particular attention will continue to be given to the improvement of domestic economic management, including effective mobilization and utilization of domestic resources.

2. Promotion of regional and subregional economic cooperation and integration

11. Africa is resolved to pursue with vigour the policy of achieving effective regional and subregional economic cooperation and integration and is thus committed to the establishment of the African Economic Community - the treaty of which was signed by African leaders on 3 June 1991, in Abuja, Nigeria - and to the effective functioning of its subregional organizations - namely, the Preferential Trade Area of Eastern and Southern Africa (PTA), the

Economic Community of Western African States (ECOWAS), the Arab Maghreb Union (AMU), and the Southern African Development Coordination Conference (SADCC). Africa believes that regional and subregional cooperation and integration will bring about effective transformation of its economies.

12. Africa is committed to the promotion of sectorial-integration of its economies and to ensuring the development and maintenance of reliable networks of agricultural, physical, industrial and institutional infrastructures on the continent. Africa will focus its efforts on the implementation of programmes for the Second United Nations Transport and Communications Decade in Africa (UNCTADA) and the Second Industrial Development Decade for Africa (IDDA).

3. Intensification of the democratization process

13. Africa is determined [within the proposed compact] to press ahead with the democratization of development and the full implementation of the African Charter of People's and Human Rights, the African Charter for Popular Participation in Development and Transformation, and the Declaration of the Heads of State and Government of the Organization of African Unity (OAU) at their 1990 Summit on the Political and Socio-Economic Situation in Africa and the Fundamental Changes Taking Place in the World. Africa is convinced that growth and development on a sustained and sustainable basis can come about only as a result of the involvement of the people in the development process. [Open, effective, honest and accountable government, operating transparently under the law, is essential for national development.]

4. Investment promotion

14. Africa is also committed to the creation of an enabling environment that attracts foreign and domestic direct investment, encourages savings, induces the return of flight capital and promotes the full participation by the private sector, including non-governmental organizations, in the growth and development process. Farmers - in particular, small farmers - informal-sector traders and crafts people, and entrepreneurs constitute an important element in the productive base of the economy.

5. Human dimension

15. Africa is equally committed to improving the human rights and the living standards of its people, including the reduction of poverty. Africa is further committed to ensuring equality of opportunity for women at all levels and giving adequate attention to the needs of children.

16. African countries are committed to the intensification of their efforts in human resource development and capacity-building, especially in science, technology and management, and to taking measures to arrest and reverse the brain drain.

6. Environment and population

17. Africa is fully committed to the promotion of sustainable development at all levels of socio-economic activity. Through the Bamako Convention, Africa took the decisive step of banning the import of toxic waste into Africa. Moreover, the Plan of Action for Combating Desertification remains a viable framework for cooperation in the field of desertification. The international community is called upon to contribute to the implementation of the Plan. Africa is keenly participating in international negotiations on climate change, bio-diversity and the preparatory process of the United Nations Conference on Environment and Development, to be held in 1992. In all these negotiations, Africa is fully convinced that the problems of environment and development should be tackled in an integrated and balanced manner, fully taking into account the "polluter pays" principle.

7. Population and development

18. Africa is committed to the deliberate and systematic integration of population factors into the development process in order, inter alia, to contain the tremendous strain and stress that a rapid rate of population growth puts on development. To that end, Africa will continue the efforts initiated under the Kilimanjaro Plan of Action of 1984, which currently constitutes Africa's framework for devising and implementing national population policies, in all their interrelated aspects, including a reduction in maternal and child mortality and provisions for family planning and female education and the achievement of substantial and sustained increases in the quality of life and standard of living of the entire population.

8. Agriculture, rural development and food security

19. Africa is committed to the continued pursuit of policies and strategies in the agricultural and rural development sectors in order fully to integrate rural economies into their national contexts and to achieve solid self-sufficiency and security. Africa is committed to the improvement of agricultural policies, the enhancement of agricultural productivity, the improvement of distribution mechanisms, and the establishment of reliable market schemes, credit system and adequate storage facilities. Efforts will be made to provide food producers - particularly women - with the necessary resources.

9. South/South cooperation

20. Africa is determined to intensify South/South cooperation which Africa is convinced is an indispensable element for the success of the new agenda for international cooperation.

10. Role of non-governmental organizations

21. The focus of the international agenda on popular participation, human resource development and capacity-building calls for an increased role for non-governmental organizations (African and non-African) in various areas, including the promotion of indigenous small-scale businesses, especially in the rural sector, community development projects, training etc. African non-governmental organizations should particularly be involved, without any administrative impediment, in the mobilization and efficient utilization of domestic resources.

B. Responsibility and commitment of the international community

22. The international community commits itself to assisting Africa in its efforts to achieve accelerated growth and human-centred development on a sustained and sustainable basis. Such support will cover the areas discussed below.

[1. Africa's debt problem

[A major priority is to tackle Africa's critical external debt problem, which is a serious threat to the continent's recovery and development prospects. In spite of the implementation of several international initiatives, the situation has not significantly improved. Africa's external debt exceeded $US 270 billion in 1990, with the ratio of external debt to GDP and to exports amounting to over 90 per cent and 334 per cent, respectively. The servicing of this debt accounts for over 30 per cent of the continent's exports.

[This situation calls for innovative and bolder measures for the solution of Africa's debt problem and the intensification of efforts on the part of all concerned. The international community, therefore, undertakes, in the context of the international debt strategy, to seek ways and means and to adopt measures aimed at finding durable solutions to the various aspects of the problem, as follows:

[(a) Cancellation of official ODA debt;

[(b) Cancellation of semi-official export credits debt;

[(c) Initiation of initiatives to help write down substantially private commercial debt and also reduce the remaining debt through measures such as debt equity swaps, the use of debt for the establishment of export-oriented joint ventures, debt buy-backs, and debt for environment schemes and poverty alleviation;

[(d) Substantial reduction of the debt owed by Africa to the multilateral financial institutions, which now accounts for about 40 per cent of the continent's debt-servicing obligations, through the assistance of donor countries.]

[1. Africa's debt problem

[A major priority is to tackle Africa's critical external debt problems which are a serious threat to the continent's recovery and long-term development prospects. In spite of the implementation of several international initiatives, the situation has not significantly improved. Africa's external debt exceeded $US 270 billion in 1990, with the ratio of external debt to GDP and to exports amounting to over 90 per cent and 334 per cent, respectively.

[This situation calls for innovative and bold measures to solve Africa's debt problems and the intensification of efforts in the context of the evolving international debt strategy on the part of all concerned. The international community, therefore, in support of Africa's structural adjustment efforts, undertakes to seek to find durable solutions to the African debt crisis.

[At the London Summit in July 1991, it was agreed that Africa deserved special attention. Specifically, agreement was reached on the need for additional debt relief measures going well beyond the relief granted under Toronto terms. It called on the Paris Club to implement the measures promptly.

[Recognizing the special status of Africa, the measures may include:

[(a) A further cancellation of or reduction in ODA debt and debt service, in particular, for the poorest highly indebted African countries;

[(b) A further cancellation of or reduction in other official debt or debt service, as appropriate;

[(c) Encouragement of the write-off of private commercial debt through such innovative techniques as debt-equity swaps, the use of debt for the establishment of export-oriented joint ventures, debt buy-backs, debt for environment schemes, and debt for poverty alleviation through greater use of existing facilities; greater use of the International Development Association facility for reduction of private debt and similar mechanisms including debt buy-back and conversion schemes;

[(d) Inviting the multilateral financial institutions to continue to provide support for debt and debt-service reduction packages, with the flexibility necessary under their established guidelines, and urging that serious attention be given to continuing to work towards a growth-oriented solution to the problems of African countries with serious debt-servicing problems, including those whose debt is mainly to official creditors or to multilateral financial institutions;

[(e) Early implementation of the IMF quota increase under the Ninth General Review and the associated third amendment to the Articles of Agreement. Additional measures should take into account the need for Africa to benefit from additional flow of resources.]

23. The international community wishes to express support for the proposal calling for the organization of an international conference on Africa's external indebtedness. [The international community takes note of the proposal to convene an international conference on Africa's external indebtedness.]

2. Resource flows

A critical element of the support from the international community is the provision of adequate resource flows into Africa [that are sufficient to attain and sustain an average annual growth rate of the GDP of 6 per cent by African countries over the course of the 1990s. To achieve that rate of growth, the Secretary-General of the United Nations estimated that a minimum of $US 30 billion in net official development assistance (ODA) is required in 1992, after which the real net ODA will need to grow at an average rate of 4 per cent per annum. The international community undertakes to meet these targets.] [to contribute to the achievement of sustained and sustainable economic development, including an increase in the growth of real GNP. The international community takes note of the fact that the Secretary-General of the United Nations has made certain estimates of the net official development assistance that will be required. The international community reaffirms its commitment to work in order to attain the accepted United Nations targets of devoting 0.7 per cent of GNP to ODA and, within that target, devoting 0.15 per cent of GNP to the least developed countries, of which 28 out of a total of 42 are located in Africa. EC] [that will complement the domestic financial resources. The international community will pursue its efforts to provide additional resource flows, especially ODA. Japan]

23. [The international community would introduce measures, including special incentives, and devise programmes to encourage direct foreign investment in African countries, and support the policy changes undertaken by African countries to attract foreign investment.]

3. Commodities

24. Diversification is a strategic short- and long-term solution to the severe commodity problem in Africa that has impeded its economic recovery and development. In order to support effectively efforts to diversify commodity exports and boost earnings, the international community, particularly the major trading partners, commit themselves to grant improved market access to Africa's exports, including processed, semi-processed, and manufactured products. The international community thus commits itself to improve the commodity prices in order to enhance resource availability for Africa's economic recovery and development.

25. At the same time, the international community commits itself to improving the access of Africa to various compensatory mechanisms, reducing the restrictive conditions, including the relatively high cost of IMF's Compensatory and Contingency Financing Facility (CCFF). The other compensatory schemes, such as STABEX, SYSMIN and the Swiss Compensatory Financing Programme, require improvements to ensure greater access and availability of adequate resources. Efforts at international cooperation among producers and consumers of commodities of particular importance to Africa, such as cocoa and coffee, should be renewed with a view to increasing export earnings of Africa from such commodities.

4. Support for the diversification of the African economies

26. The international community recognizes that additional resources will be required to support Africa's diversification programme. An African diversification fund should, accordingly, be urgently established to provide an essential focal point to galvanize technical assistance which will be required and to provide additional finance for the development and implementation of diversification programmes and projects, including infrastructural and support services such as information networks. In this regard, a study should be urgently undertaken on its operating modalities, funding arrangements and management for presentation in 1992 to the established monitoring group.

5. Trade

27. In order to support effectively efforts to diversify Africa's economies and to boost export earnings, the international community commits itself [to the removal of all tariff and non-tariff barriers affecting African exports, particularly of processed, semi-processed and manufactured products and ensures that the preferences currently enjoyed by African products are not eroded.] [to improve the access of African exports, particularly of processed, semi-processed and manufactured products. Japan] [to the reduction or removal of tariff and non-tariff barriers affecting African exports, particularly of processed, semi-processed and manufactured products. Preferential arrangements are important for the promotion of African exports. EC]

6. Support for regional economic integration: environment, science and technology

28. The international community intends to support African countries in their efforts to implement the Treaty Establishing the African Economic Community, strengthen the functioning of the existing subregional intergovernmental organizations and to implement joint programmes and projects within the framework of the Treaty.

29. Support will also be given to arresting environmental degradation and to enhancing the scientific and technological capacities of African countries.

7. Role of the United Nations system

30. The United Nations system should play a major role in the implementation of the international agenda. First and foremost, the various United Nations organizations and specialized agencies, in their respective areas and sectors, should devise specific programmes for Africa which are consistent with the elements of the agenda, and devote adequate resources for their implementation. In this regard, special consideration should be given to programmes that are essential in fostering the economic integration of the African region, such as those related to the Second Industrial Development Decade for Africa and the Second United Nations Transport and Communications Decade for Africa, as well as other relevant programmes submitted by regional and subregional organizations.

31. The United Nations system should also contribute to ensuring an efficient follow-up and monitoring of the implementation of the international agenda. Specifically, a continuous assessment of Africa's performance in the areas outlined in the agenda would have a great impact in maintaining the momentum within and outside Africa and, eventually, for renewed commitments to the agreed objectives and targets.

8. Role of the non-African non-governmental organizations

32. Non-African non-governmental organizations should be given every encouragement to assist in the formulation and implementation of development assistance projects in the context of the international agenda. They should also assist in promoting non-governmental organizations at national, subregional and regional levels in Africa.

III. FOLLOW-UP, MONITORING AND EVALUATION MACHINERY

33. [The follow-up, monitoring and evaluation of the international agenda will require the full involvement of Governments as well as the participation of non-governmental organizations. To that end, a high-level intergovernmental committee should be established, under the aegis of the United Nations General Assembly, and should, on an equal basis, include African and non-African Governments, representatives of non-governmental organizations and eminent persons, to be appointed in their personal capacities.

34. The high-level committee, entrusted with the responsibility of follow-up, monitoring and evaluation of the international agenda at the global level shall, with the assistance of the Director-General, prepare and submit to the General Assembly, annual reports assessing progress made and proper measures for accelerating its implementation. The Secretary-General should provide the necessary, appropriate and adequate mechanisms to support the work of the high-level committee. At the regional level, especially within the framework of the promotion of African economic integration, the Economic Commission for

Africa, in close cooperation with the Organization of African Unity and the African Development Bank, should be the focal point of such mechanisms.]

35. [The follow-up, monitoring and evaluation of the international agenda will require the full involvement of Governments, the relevant organizations of the United Nations system and the participation of governmental and non-governmental organizations. To that end, the Economic and Social Council shall devote one day each year of its high-level segment to the consideration of an evaluation, assessment and monitoring of the United Nations new agenda for the development of Africa in the 1990s.

(a) The high-level segment will be preceded by the preparatory meeting of the Economic and Social Council;

(b) Relevant organizations and programmes of the United Nations system governmental organizations, including OAU, the Global Coalition for Africa and relevant non-governmental organizations, will report and participate as appropriate;

(c) The Director-General, Department of International Economic Cooperation, will provide annually an analytical overview of the implementation of the new agenda;

(d) The Secretary-General will ensure appropriate support for the follow-up process.]

36. There are other ongoing initiatives aimed at assisting Africa in its development efforts. In this regard consultative groups such as the Global Coalition for Africa should assist in rallying international support for the implementation of the international agenda.